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**STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2000**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 08-23-00

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
TRANSMITTAL LETTER  
ANNUAL FINANCIAL STATEMENTS

August 8, 2000

Division of Administration  
Office of Statewide Reporting  
and Accounting Policy  
P. O. Box 94095  
Baton Rouge, LA 70804-9095

Legislative Auditor  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

Dear Sirs:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Red River Levee and Drainage District for the year ended June 30, 2000. The report includes only funds under the control and oversight of the Red River Levee and Drainage District.

The accompanying general purpose financial statements have been prepared in accordance with generally accepted accounting principles.

Sincerely,

  
Secretary

Enclosure

STATE OF LOUISIANA  
RED RIVER LEVEE & DRAINAGE DISTRICT  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2000

TO THE

Division of Administration  
Office of Statewide Reporting  
and Accounting Policy  
P. O. Box 94095  
Baton Rouge, LA 70804-9095

Legislative Auditor  
P. O. Box 94397  
Baton Rouge, LA 70804-9397

AFFIDAVIT

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Personally came and appeared before the undersigned authority, Carrol Smith, Secretary of the Red River Levee and Drainage District, who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Red River Levee and Drainage District at June 30, 2000 and the results of operations for the year then ended, in accordance with generally accepted accounting principles.

  
Secretary

Sworn to and subscribed before me, this 8th day of August, 2000.

  
NOTARY PUBLIC

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
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JUNE 30, 2000

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## **GENERAL PURPOSE FINANCIAL STATEMENTS**

# HINES, JACKSON & HINES

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Carroll LeGrande, President  
and Board of Commissioners  
Red River Levee and Drainage District  
P. O. Box 433  
Coushatta, LA 71019

We have compiled the accompanying general purpose financial statements of the Red River Levee and Drainage District, Coushatta, Louisiana, a component unit of the State of Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

***Hines, Jackson & Hines***

Natchitoches, Louisiana  
August 8, 2000

## **COMBINED STATEMENTS - OVERVIEW**

EXHIBIT A

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUP  
JUNE 30, 2000

	<u>General Fund</u>	<u>General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
<b>ASSETS</b>			
Cash in State Treasury	\$ 2,276	\$ 0	\$ 2,276
Cash and cash equivalents	33,831	0	33,831
Equipment	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 36,107</u>	<u>\$ 0</u>	<u>\$ 36,107</u>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable	\$ 0	\$ 0	\$ 0
Payroll taxes withheld and payable	<u>367</u>	<u>0</u>	<u>367</u>
Total Liabilities	367	0	367
<b>Fund Equity</b>			
Investment in general fixed assets	0	0	0
Fund balance, Unreserved	<u>35,740</u>	<u>0</u>	<u>35,740</u>
Total Fund Equity	<u>35,740</u>	<u>0</u>	<u>35,740</u>
Total Liabilities and Fund Equity	<u>\$ 36,107</u>	<u>\$ 0</u>	<u>\$ 36,107</u>

See accompanying notes and accountants' report.



STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND TYPES - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2000

Revenues	
Ad valorem taxes	\$ 40,132
State revenue sharing	1,688
Interest revenue	195
Other	<u>35</u>
Total Revenues	42,050
Expenditures	
General government	
Personal services and related benefits	11,675
Operating services	20,988
Supplies	317
Professional services	2,000
Other charges	<u>3,649</u>
Total Expenditures	<u>38,629</u>
Excess of Revenues Over/(Under) Expenditures	3,421
FUND BALANCE, Beginning of year	<u>32,319</u>
FUND BALANCE, End of year	<u>\$ 35,740</u>

See accompanying notes and accountants' report.

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Fav./((Unfav.))</u>
Revenues			
Ad valorem taxes	\$ 40,000	\$ 40,132	\$ 132
State revenue sharing	1,650	1,688	38
Interest revenue	200	195	(5)
Miscellaneous	<u>100</u>	<u>35</u>	<u>(65)</u>
Total Revenues	41,950	42,050	100
Expenditures			
General government			
Personal services and related benefits	11,500	11,675	(175)
Operating services	23,000	20,988	2,012
Supplies	1,250	317	933
Professional services	2,500	2,000	500
Other charges	<u>3,700</u>	<u>3,649</u>	<u>51</u>
Total Expenditures	<u>41,950</u>	<u>38,629</u>	<u>3,321</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ 0</u>	3,421	<u>\$ 3,421</u>
FUND BALANCE, Beginning of year		<u>32,319</u>	
FUND BALANCE, End of year		<u>\$ 35,740</u>	

See accompanying notes and accountants' report.

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2000

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Red River Levee and Drainage District was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 38:291. The District includes all or portions of Red River and DeSoto Parishes. The District primarily provides flood protection for those areas contained in the District. The governing board administers the operations and responsibilities of the District in accordance with the provisions of Louisiana statute. Members of the board are appointed by the governor in accordance with LSA-R.S. 38:304.

The accounting and reporting policies of the Red River Levee and Drainage District conform to generally accepted accounting principles as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial principles. Such accounting and reporting procedures also conform to the requirements set forth in the Louisiana Governmental Audit Guide and to Louisiana Revised Statutes 24:513 and 24:517, and to the industry audit guide, Audits of State and Local Governmental Units.

**A.            FINANCIAL REPORTING ENTITY**

Annually, the State of Louisiana issues general purpose financial statements which include the activity contained in the accompanying financial statements. The general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor. The financial reporting entity consists of a) the primary government (State of Louisiana) b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the State of Louisiana for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1.            Appointing a voting majority of an organization's governing body, and
  - a.            The ability of the primary government to impose its will on that organization and/or
  - b.            The potential for the organization to impose specific financial burdens on the primary government.
2.            Organizations for which the State of Louisiana does not appoint a voting majority but are fiscally dependent on the State.
3.            Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the application of the criteria described above, the District was determined to be a component unit of the State of Louisiana, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Red River Levee and Drainage District and do not present information on the State of

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2000

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A.            FINANCIAL REPORTING ENTITY (CONTINUED)**

Louisiana, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**B.            FUND ACCOUNTING**

The accounts of the Red River Levee and Drainage District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The funds are grouped in this report into generic fund types and broad fund categories as follows:

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

**C.            GENERAL FIXED ASSETS**

The accounting and reporting treatment applied to the fixed assets associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain or infra-structures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

The fixed asset account group is a "fund". It is concerned only with the measurement of financial position, not with measurement of results of operations.

**D.            BASIS OF ACCOUNTING**

Basis of Accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.



STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2000

**NOTE 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.            BASIS OF ACCOUNTING (CONTINUED)**

The governmental fund type is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become susceptible to accrual (i.e., when they become measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. State revenue sharing and interest are accrued, when their receipt occurs soon enough after the end of the accounting period so as to be both measurable and available.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on general long-term debt is recognized when due. Purchase of various operating supplies are regarded as expenditures at the time purchased.

**E.            BUDGETARY PRACTICES**

Formal budgetary accounting is employed as a management control. The Red River Levee and Drainage District adopts a budget prior to July 1 of each year in accordance with Louisiana Revised Statutes. The operating budget is prepared based upon prior year's revenues and expenditures and the estimated increase therein for the current year, using the modified accrual basis of accounting. All budget appropriations lapse at year end.

**F.            VACATION AND SICK LEAVE**

Employees of the District do not earn any vacation or sick leave. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

**G.            CASH AND CASH EQUIVALENTS**

Consistent with GASB Statement 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting", the District defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**H.            PREPAID ITEMS**

Payments made for services that will benefit the District beyond June 30, 2000, are recorded as prepaid items.

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2000

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**I. FUND EQUITY**

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations.

**J. ENCUMBRANCES**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the District.

**K. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW**

The total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

**L. ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 CASH AND CASH EQUIVALENTS**

At June 30, 2000, the Red River Levee and Drainage District had cash and cash equivalents totaling \$33,831 in demand deposit accounts. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the state treasurer. As of June 30, 2000, the District had \$33,831 in bank deposits. These deposits were secured from risk by \$33,831 in federal deposit insurance.

**NOTE 3 CHANGE IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance June 30, 1999	Additions	Deletions	Balance June 30, 2000
Equipment	\$ 0	\$ 0	\$ 0	\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2000

**NOTE 4            PENSION PLAN**

All employees of Red River Levee and Drainage District are covered by the Social Security System. Employees contribute 6.2 percent of their total salary to the System, while the District contributes a like amount. For the year ended June 30, 2000, total contributions to the system were \$1,292, of which the District contributed \$646 and employees contributed \$646. Total payroll for the year ended June 30, 2000 was \$10,425 and total payroll covered by the system was \$10,425. Any future deficit in this system will be financed by the United States Government. The District has no further liability to the system for the year ended June 30, 2000.

**NOTE 5            LITIGATION**

There was no outstanding litigation against the Red River Levee and Drainage District at June 30, 2000.

**NOTE 6            LEASES**

The Red River Levee and Drainage District was not obligated under any capital or operating leases at June 30, 2000.

**NOTE 8            AD VALOREM TAXES**

Ad Valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the District in October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year and penalties are assessed. All ad valorem tax revenues are recognized in compliance with NCGA Interpretation - 3 and GASB Codification Section P70 (Revenue Recognition - Property Taxes) which states that such revenue is recorded when it becomes measurable and available. Available means due, or past due and receivable within the current period and collected no longer than 60 days after the close of the current period.

The Red River and DeSoto Parish Sheriffs bill and collect property taxes for the District using the assessed values determined by the tax assessors of Red River and DeSoto Parishes.

For the year ended June 30, 2000, taxes of 4.59 mills were levied on assessed property along with \$.05 per acre and \$60 per mile of railroad track located within the District. Total taxes levied were \$40,132 for the year ended June 30, 2000, which were for general operating purposes. Ad valorem taxes are the primary revenue source of the District. There were no taxes receivable at June 30, 2000.

## **OTHER SUPPLEMENTARY INFORMATION**



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1926-1999

Carroll LeGrande, President  
and Board of Commissioners  
Red River Levee and Drainage District  
P. O. Box 433  
Coushatta, LA 71019

The accompanying supplementary information contained in schedules 1 and 2 for the year ended June 30, 2000, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Red River Levee and Drainage District. Such information has been compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

***Hines, Jackson & Hines***

Natchitoches, Louisiana

August 8, 2000

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
SCHEDULE OF PER DIEM PAID BOARD MEMBERS  
FOR THE YEAR ENDED JUNE 30, 2000

	<u>Official Meetings</u>	<u>Official Business</u>	<u>Total</u>
Wyche T. Coleman	\$ 900	\$ 675	\$ 1,575
Carroll LeGrande	900	600	1,500
Milton Forrest	900	450	1,350
Bob Alsup	<u>825</u>	<u>375</u>	<u>1,200</u>
Totals	<u>\$ 3,525</u>	<u>\$ 2,100</u>	<u>\$ 5,625</u>

Compensation Paid Commissioners

The schedule of per diem paid board members is prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 38:308 and are included in the expenditures of the General Fund. Board members are paid \$75 per day, to a maximum of 36 days per year, for board meetings and official business.

SCHEDULE 2

STATE OF LOUISIANA  
RED RIVER LEVEE AND DRAINAGE DISTRICT  
COUSHATTA, LOUISIANA  
SCHEDULE OF EXPENDITURES BY OBJECT  
FOR THE YEAR ENDED JUNE 30, 2000

Personal Services and Related Benefits	
Salaries	\$ 4,800
Per diem paid board members	3,525
Levee inspections	2,100
Payroll taxes	796
Workmen's compensation	<u>454</u>
Total Personal Services and Related Benefits	11,675
Operating Services	
Levee Maintenance	20,419
Insurance	150
Advertising and printing	169
Dues and subscriptions	<u>250</u>
Total Operating Services	20,988
Supplies	
Postage	24
Supplies and materials	<u>293</u>
Total Supplies	317
Professional Services	
Accounting	1,900
Legal fees	<u>100</u>
Total Professional Services	2,000
Other Charges	
Deductions from ad valorem taxes - assessor	2,670
Deductions from ad valorem taxes - retirement systems	<u>979</u>
Total Other Charges	<u>3,649</u>
Total Expenditures	<u>\$ 38,629</u>

See accountants' report on supplementary information.  
Supplementary information. Presented as additional analytical data.